



FCC BOARD OF TRUSTEES POLICY

Policy Type: Executive Limitations

Policy Title: Asset Protection

Policy Number: EL-9

Date Adopted: 6.4.2024

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Date Last Reviewed: 6.4.2024

Office Responsible: President's Office

Reviewing Committee: Board of Trustees

The President shall not allow College assets to be unprotected, inadequately maintained or unnecessarily risked.

Further, without limiting the scope of the preceding statement by the following list, the President shall not:

1. Permit the organization to have inadequate insurance against property, casualty, and cyber (i.e., data) losses.
 - 1.1. Fail to ensure that the organization obtains appropriate and adequate levels of insurance to protect its property and operations against scope of perils, and
 - 1.2. Permit the organization to insure its property and operations with inadequate valuation.
 - 1.2.1. Permit insurance of all buildings and contents to be at less than the cost to replace buildings and contents, with an adequate and appropriate blanket limit of all buildings and contents.
 - 1.2.2. Permit the College to have inadequate insurance or bonding for theft, disappearance or destruction of money, and securities inside or outside the premises.
 - 1.3. Permit the organization to have inadequate privacy/cyber insurance.
2. Permit the Board members, College employees, and other individuals engaged in activities on behalf of the organization, or the organization itself, to have inadequate liability insurance. Directors and Officers liability protection shall be obtained with adequate limits given institutional risks.

3. Permit individuals traveling out of the United States, on behalf of the College, to have inadequate travel accident insurance.
4. Allow the College to have inadequate insurance for theft and crime coverage.
5. Unnecessarily expose the organization, its Board members or College employees to claims of liability.
 - 5.1. Allow any material contracts or material internal human resource documents to be executed with inadequate review by qualified legal counsel.
6. Fail to ensure that the companies chosen to provide insurance coverage are highly rated, well regarded and known for fair claims practices.
7. Compromise the independence of the Board's audit or other external monitoring or advice.
8. Receive, process, or disburse funds under controls which are insufficient to meet audit standards or inadequate, by industry standards, to detect and prevent fraud.
9. Make any purchases that do not result in appropriate level of quality, after-purchase service, and value for dollar, or do not provide opportunity for fair competition.
 - 9.1. Make any purchase wherein normally prudent protection has not been evaluated against conflict of interest.
 - 9.2. Make any purchase that fails to follow the College's published guidelines and applicable State procurement guidelines for price and quality competition based on price thresholds, unless considered a 'sole-source.' Orders shall not be split to avoid procurement requirements or required competition among vendors.
10. Endanger the organization's public image, credibility, or its ability to accomplish Board Ends, in any of the following ways:
 - 10.1. Allow non-adherence to guidelines required for institutional and secondary program accreditation.
 - 10.2. Accept gifts or grants which obligate the College to make future expenditures or encumber future decision-making or take future actions other than those that are reasonably required by the gift or grant.
 - 10.3. Publicly position the College in support of, or opposition to, any known political organization, or candidate for public office.
 - 10.4. Develop or continue collaborative relationships with organizations whose principles or practices are incompatible with those of the College.

- 10.5. Allow relationships with the Ownership and/or stakeholders to be inconsistent with the productive cooperation necessary to the achievement of Ends.
11. Change the organization's name or substantially alter its identity in the community.
12. Create or purchase any subsidiary corporation.

Date Of Change	Version	Description of Change	Responsible Party
6.4.2024	1.0	First release following Policy Governance consulting work.	President